

**Developing Entrepreneurship of Indonesian Youth through Local Wisdom Values
Study in Wukirsari Village, Bantul District, Special Province of Yogyakarta**

Susetya Herawati

Candidate Doctor of Administrative Science,
Faculty of Administrative Science
Universitas Brawijaya

Soesilo Zauhar, Bambang Santoso Haryono, Riyanto

Faculty of Administrative Science,
Universitas Brawijaya

ABSTRACT

The implementation of Bantul District local regulation number 40 year 2011 about Neighborhood association (RT/RW) in developing Bantul potential, Bantul has a slogan "Bantul The harmony of natural and cultural heritage", which is developing through expanding strategic area and it seems to be an answer of globalization challenge which also has an impact to common people's lives. The determination of Wukirsari village as Culture Tourism village become an answer about the importance of development through culture of local wisdom. Align with that matter, Ministry of youth and sport in empowering young people had already regulated in Act number 40 year 2009 about Youth, gave a good space in developing youth entrepreneurship. So, the continuation of this research discovered how far development of youth entrepreneurship activity works well. That is why the researcher focused on program implementation, mechanism, involved actors and local wisdom value which become potency to support youth entrepreneurship, also supporting and resisting factors. Public administration theory which was used in this study is that of New Public Management (NPM) paradigm oriented in performance to reach efficient and effective result. That is why all actors involved in youth entrepreneurship development activity have same pint of view which is thinking as an entrepreneur. While in New Public Service (NPS) paradigm, all actors are considered as citizen in giving their service, according to their role for each program development. This research has been conducted in Bantul District, special areas of Yogyakarta province. The research method used qualitative method via interactive model popularized by Miles, Huberman and Saldana (2014). Research result has recommended Indonesian youth entrepreneur model through local wisdom values focused on develop synergy between actors through collaboration, and elaborate public administration system between New Public Management (NPM) and New Public Service (NPS) in order to create youth entrepreneurship as an excellent policy which be able to decide by local government according to developing culture.

Keywords: *Development, Entrepreneurship, Entrepreneur Youth, Local Wisdom.*

I. INTRODUCTION

The implementation of decentralization by local government is for carrying out local development policy. Decentralization can be used as local government policy instrument in taking decisions swiftly and also for organizing governance to make it easier in supervising at the level below. In this research, public administration paradigm which can be a bridge was New public management (NPM) spirit popularized by Osborne and Gaebler (1992) and Vigado (2002), while in the service in developing youth entrepreneurship using paradigm popularized by Denhardt (2003), which is New Public Service administration (NPS) that encompasses governance and good governance concept, and how to involve people participation in development. Both paradigms in public administration which are NPM and NPS, not being covered thoroughly in this research, but there are new requirements that needs both main characters within both paradigms. The research in Wukirsari village, Bantul district was for looking at Wukirsari people's ability in implementing youth entrepreneurship as an important part in development especially economic development.

Young people as a subject and object, actually are assets for development and subjects if they have skills and good employment. But unfortunately, the problem for the young people today is rare employment opportunities which caused unemployment and half of this unemployment is for youth management considered as a threat for economic development and politic stability. Young people as creator and culture consumer in economic and culture globalization era tend to follow and influenced by hedonistic culture and life style.

But globalization trend also caused paradoxes movement, which are stronger local identity rooted to ethnic sentiment and religion. Psychologically, when someone is dragged into globalization orbit, they feel their identity is threatened so it comes insecure feelings. These symptoms occurred in nomads, whether in home country or abroad, they will feel excited and comfortable to meet their home friends. With the improvement of education world which open the opportunity of nation children education mobility, especially in high education level, means the meeting of local young people and cross religion become possible. For village people, becoming an officer is an ideal job. But if they have a lot of kids and unable to live a modest life, being an officer is not enough. So, it is important for young people to learn entrepreneurship to earn more income, although being an entrepreneur is not easy while living in unsupported family and environment. According to Nugroho (2015), being an entrepreneur and officer has a basic difference. Entrepreneur must be more risk taker, an attitude or mentality which is not owned by the people who have aristocratic mentality. Few characteristics of officers are: (1) parents who works as officers has well-off life, so they want their children to become like them, job outside their own profession are considered as lower rated jobs, (2) official worker has a steady and safe income and has an retirement insurance, (3) official workers do not have a high stress level. Official worker mentality has aligned with Japanese culture which pointed to harmony and prosperous life, far from speculative action which has a high risk.

Therefore, young people need to break out from old tradition that is no longer appreciate for trading world, life system problem in society which resistant to change of development, and resource quality of young people who has understanding about new innovation to build promising economy resource outside official worker and farming which keep decreasing. Young people should be introduced to and trained in entrepreneur world. This should start by changing their mindset.

By deciding Wukirsari village as cultural tourism village, it was hoped that the people have new job occupation farming which keep decreasing. A new occupation created was creative industry development with local wisdom basis by improving their natural resource. The problem become more troublesome because education level and people's habits in Wukirsari village who really obey the norm and accepted their life through resignation which means waiting without fighting spirit and more creativity.

On the other hand, Wukirsari people are recognized as culture tourism village has implemented development activity program in order to increase income for supporting tourism development through Participatory Rural Appraisal (PRA) program. Here, Wukirsari people preserve their local wisdom as a developable potency, so, it hopes that they have ability to keep maintaining and developing that in this era without leaving noble values in building youth character as an identity of Wukirsari village.

Relevant with this research problem has proposed, the aim of this research is to describe and analyze about the program implementation of developing youth entrepreneurship in Wukirsari village, Bantul District through local wisdom also supporting and resisting factors which involved.

2. LITERATURE REVIEW

Decentralization aims to build local independency in developing service and people welfare, followed by Suwandi (2002:5) explained that there are two main purposes expected in decentralization which are political purpose and administration purpose. Political purpose will place local government as a medium of political education for local people and aggregately will contribute to political education nationally to accelerate civil society. While administrative purpose will placed local government as unit in local level functioned to provide people service effectively and economically.

In youth act number 40 year 2009, the values designed in youth good governance by giving a program which one of them is youth entrepreneurship development. Young people obtained a good service through awareness, empowerment and development program that expected to be young people who has a role in development process by having character, competitive ability and independency. Youth entrepreneurship development in good governance expected economic and social resource management mechanism which involved state and non-state sector in one collective work (Rochman, 2000).

In this research will use New Public Management and New Public Service paradigm as an analytical knife in the success implementation of "Developing Indonesian Youth Entrepreneurship Through Local Wisdom Values", this was according to two big things should empowered and developed for the success of building entrepreneurship which management in NPM that makes good performance, be it government, private or young people in implementing their role in state development is able to clearly measured through competitive ability and accomplishment efficiency. Further, young people must implemented this activity with a full awareness as a citizen who has role to protect Unitary State of Indonesian Republic.

In good governance concept contain two comprehensive which are: (1) upheld values/ people's will and values which can develop people ability to reach the goal for independent, there are consistent development and social justice, (2) functional aspect from effective and efficient government in implementing the task to reach the goal, it strengthen by Rochman (2000) that social and economic resource management mechanism involved state and non-state sector in one collective work.

Next in Global Entrepreneurship Monitor (GEM) which is famous consortium in the world in 2009 to understanding relationship between entrepreneurship and national economic development. In its study, GEM grouping 3 steps in economic development, as follows: (1) efficiency factor, (2) innovation factor, (3) economic movement. Economic movement is extraction happened in nature, while efficiency economic factor has shown intensity scale of main movement in pushing development. While in innovation phase, the one that being pushed is development, in its economic term signed with new and unique production of goods and service made through advanced technology.

To fulfill that matter, government and young people supported by private sector must have awareness about the important of advance technology and information in globalization era as explained by Ilham (2016), new invention or innovation in science and technology has an important role to reach maximum potency for nation to achieve good future. Through link, science, (technical applied), technology, (technical appropriateness and industrialization), and entrepreneurship, production will create excellent work. That three innovation pillar are technology, talent and initiative tolerance which are the core of entrepreneurship, where they always find an opportunity behind obstacle. Think out of the box. Behind intelligence, they full of responsibility, firm and not only looking for financial and material advantage.

The interesting fact is actually three pillar innovation has formed a culture. This culture then become basis of entrepreneurship development which are technology support and encouragement, young people talent, and tolerance from the environment. Tolerance from environment is very required especially in Javanese culture. Because trading was not the main option as occupation from the start. Engineering local culture with technology progress to create effective and efficient performance in entrepreneurship supported with young entrepreneur talent to grow creative industry. Actually with tolerance from society and giving them space for entrepreneurship will make good young entrepreneur in Wukirsari village.

To follow the exist development, environmental factor is very influence the young people, it because their quality is depend on their environment, whether is physical or nonphysical environment. In their everyday life young people must has an interaction to fulfill their needs. Nimpuno (in Ndharma, 1985) pointed to 4 things that must be focused on, which are:

1. Human quality (Young people) decided by human internal characteristic and dynamics as psychophysics organization.

2. Environment quality decided by environment process and characteristic according to environment, geographic, biospheres, cognitive-conceptual and transcendental symbol categories.
3. Life quality decided by interactional behavior between human and total environment and comprehensive process
4. The meaning of life quality and it comes naturally with the meaning of human quality and environment from its context

According to Sedarmayanti (2009:277) in one good governance there are two things that connected, which are: (1) all actors must understand with everything has done among them and (2) there must be dialogue in order they understand their diversity. It will make consensus and synergy grow.

To maintain this entrepreneur program well, it better that they have supervision program of government activity towards young entrepreneur run by people, like explained by Ikhsan (2009: 12: 19) as follows:

Form of social control from people to government who gave an order from the people was to manage national resource. People supervision is supervision that created because there was recognition and obedience to norms and ideology groups in society or organization.

Further, according to Ikhsan (2009: 12: 19) people supervision can be done with three lines, which are:

1. Direct supervision by people, done informally by their own or through institution and organization formed by people (LSM)
2. Supervision through media
3. People supervision which legally delivered through representative institution according to regulation, Council or local Council.

There are few principals must be done in development planning process in local area. Wukirsari village in development program focused on building young entrepreneur trough local wisdom values with participative principal. Mechanism in participative method involved people in every decision making process related to their own fate. That is why in building young entrepreneurship in Wukirsari village require local public planner which really take young people side. Orientation in New Public Service (NPS) paradigm was prioritized in the process of program planning. As stated by Robinson through his book titled Why Nations Fail, (in Basri, 2016), mentioned that dominant factor makes the nation works is institution. According to Acemoglu (in Basri, 2016) institution is the rule of the game in economic, political and social interactions. Furthermore, stated that good institutions has 3 characters, as follows: (1) enforcement of property right for a broad cross section of society, so that a variety of individuals have incentives to invest and to take part in economic life. (2) Constraints on the actions of elites, politicians, and other powerful groups. So that these people cannot expropriate the incomes and investments of others or create a highly uneven playing field. (3) Some degree of equal opportunity for broad segments of society, so that individuals can make investments, especially in human capital, and participate in productive economic activities.

At this moment, it required a strong institution for government to work effectively. As explained by Yani (2016), that for economic independence, government needs to: (1) Socialization and education, (2) Optimization Asean Economy Community Center service for people, (3) accelerate bureaucracy reform, (4) Create investment climate and conducive work, (5) Simplify regulation and eliminate economic rent, (6) Identification of local potency, (7) increasing competitiveness of Independent Small Business, (8) increasing infrastructure, (9) Controlling increase of Regional minimum wages, (10) Giving trade protection action toward unfair trade in ASEAN.

Institution existence in nation and state was very determining nation progress. Institution effectiveness in supporting nation accomplishment depend on people quality. There is strong relationship between trust system, value system and norm to "nation culture" with "institution". That is why, culture as internal representation from individual comprehensive or social group towards something, while institution is the "physical" form. So, how the institution works, functions, and performs will determined by existed culture and trusted by its nation. In other words, order, rules, procedure, mechanism, and regulation owned by institution was very influenced by "culture" which are believed and followed by elite and decision maker (Firmanzah, 2016).

Talcot Parsons has describe villagers as traditional people (Gemeinschaft) that recognize character as follows which cited by Ahmadi (2003) and still very visible to villagers.

1. Affectivity, which has relationship with compassion feeling, love, loyalty and intimacy. The implementation is in mutual help attitude and action, states sympathy towards disaster happened to other people and help without ulterior motives.
2. Collective orientation, this attitude was consequence from affectivity, it means that they emphasize togetherness, humble, did not like having different opinion, the point is they have to stay in similarity.
3. Particularism, is everything related to special tradition in certain places or areas. Subjective feeling, togetherness feeling actually applied for only certain groups (the opposite of universalism).
4. Ascription, is related with quality or special behavior that did not obtained according to accidental effort, but heredity (the opposite of achievement)
5. Diffuseness, things consider unclear especially in relationship among personals without explicit firmness. Villagers using indirect language pointed to something.

Local culture in development to globalization must be prepared and according Lie (in Martono, 2014) bring 4 big discussions, which are: delocalization and localization, information and information technology, multi-international corporate raising also privatization and forming free market. It can be explained that delocalization and localization, is transformation of local culture in every aspects as interaction with foreign culture and is able adopted by foreign culture as local culture with positive attitude in answering globalization. Entrepreneurship through awareness and education also training can be developed according to local culture, the support from all element of people is very required in globalization era. Entrepreneurship have an important role in economics world.

3. METHODS OF ANALYSIS

Data analysis of this research used data Analysis Model from Miles, Huberman and Saldana (2014), which called Data Analysis Interactive Model, that involved: data condensation, data display and making conclusion or verification (conclusion: drawing/verifying). The explanation of that three components presented below,

That three flows can be described as follows:

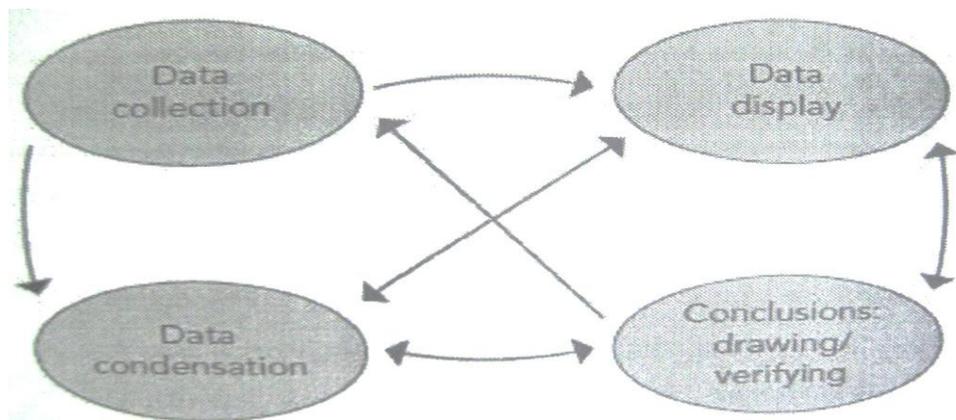


Figure. Components of Data Analysis: Interactive Model

Source: Miles, Huberman, Saldan (2014) *Qualitative data analysis: An expanded sourcebook* (2nd ed). Thousand Oaks. CA. Sage Publications.

First system in this figure, with this point of view, all three types from analysis and data collection activities are interactive cycle process. Researcher keep moving among this four mode during data collection and move between condensing, displaying, and conclusion drawing/verifying.

Data coding, for example (data condensation), directing new ideas about what needs to go to matrix (data presentation). Inputting data needs data condensation first. After matrix has filled, first conclusion is taken, then continue to directing decision. For example, to add matrix column to test that conclusion.

In this point of view, data qualitative analysis are continuous and repetitive efforts. Data condensation, presentation and drawing conclusion/verification problem are analysis episode respectively

follows one another. That process actually not more complex, speak conceptual, than analysis mode that quantitative researcher used. In qualitative research, we must be busied by data condensation (calculating technic, deviation standard), with figure (correlation table, regression printout). This activity has been done through methods that formulated well also familiar; guided: usually in order than repetitive or in cycle. Qualitative researcher more liquid and humane.

In proceed qualitative analysis need to be documented well as a process. We need to understand more clearly what will happen when we were analyzing data, to reflect and develop our method.

4. CONCLUSIONS

Developing Indonesion Youth entrepreneurship through local widom values in Wukirsari village, Bantul district has worked well, but there is still few things must be noticed:

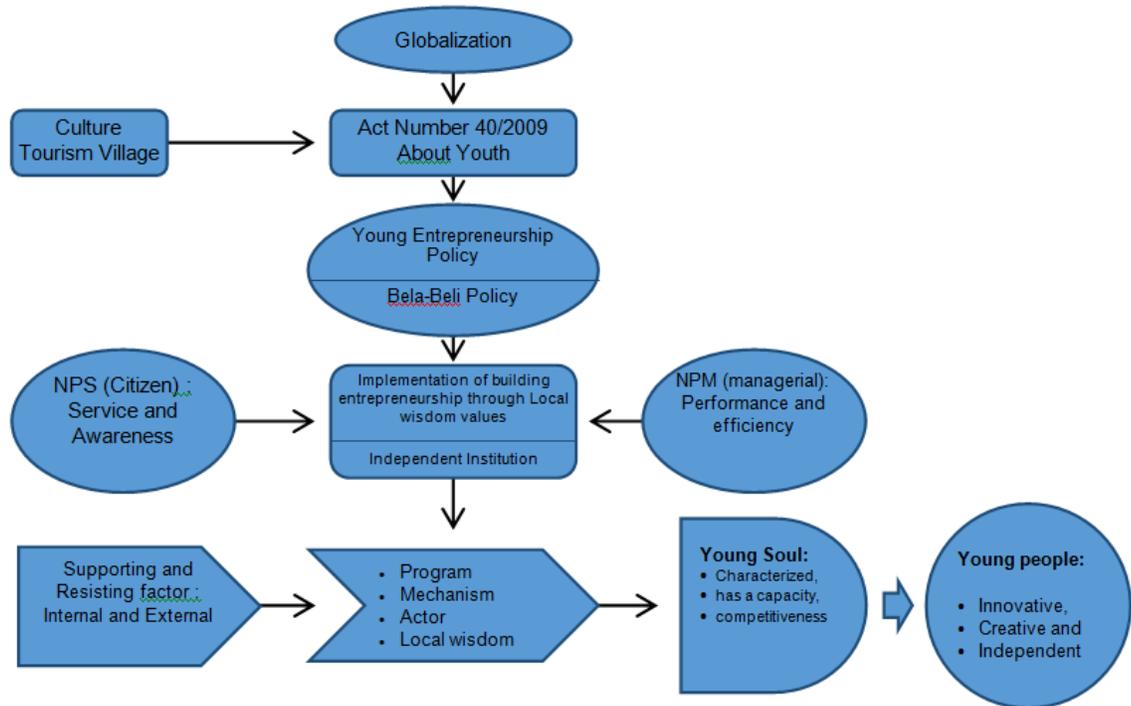
1. In the implementation of developing Youth Indonesian entrepreneurship through local widom values, involved:
 - 1.1. To implement entrepreneurship program in Wukirsari village needs excellent policy according to their local wisdom and independent institution to implement entrepreneurship program, the expectation is a synergy between implementer actors and the receiver of youth entrepreneurship program.
 - 1.2. Mechanism to build youth entrepreneurship in Wukirsari village was through young people participation mechanism, this participation need to get increased by developing youth resource through education and training, there is equal guiding in young people, in marketing and capital field.
 - 1.3. Actor in building young entrepreneurship in Wukirsari village needs a synergy and forming collaboration between governments, private and young people.
 - 1.4. As a Javanese people who respected culture through symbol in language, also religion had becomemotivation and strong self-identity as village youth who has character in developing entrepreneurship with local wisdom values.
2. Supporting and Resisting Factors
 - 2.1 Supporting factors. Local government of bantul district, young entrepreneurship has grown very well because their awareness supported by very conducive situation.
 - 2.2 Resisting factors, are:
 1. There is no special policy that regulate young entrepreneurship.
 2. There is no synergy between young entrepreneurship program in central and local area also from cross departments.
Lack of comprehensive about capital resource and market access for young entrepreneur.

5. RECOMMENDATIONS

Recommended model of Indonesia youth entrepreneurship through local wisdom:

- a. The importance of building synergy between actors through collaboration
- b. The importance of elaborate Public Administration system between NPM (New Public Management) and NPS (New Public Services) and NPS (New Public Services) by focused on local potency.
- c. Forming an independent institution.
- d. Bela-Beli Policy as excellent policy decided by local government according to developing culture.

Recommended Model of Developing Indonesian youth entrepreneurship through Local wisdom values (Model Herawati)



6. SUGGESTION

Academic/Theoretical Suggestions

Elaborate new Public Management (NPM) with New Public Services (NPS) together, integrated in building young entrepreneurship through local wisdom values. In NPM actors asked to have a same thought, to create effective and efficient performance, while in NPS actors are expected to have awareness to give good service, according to its role in giving service to the success of building young entrepreneurship.

Practical Suggestion

1. Local government must be able to make policy required in building young entrepreneurship.
2. Independent institution forming as collaborative culture, to implement young entrepreneurship development in local area

REFERENCES

- [1]. Achwan, Rochman, 2000, *Good Governance, Manifesto Politik Abad Ke 21*, Kompas, Jakarta.
- [2]. Ahmadi, A., 1984, *Sejarah Agama*, CV Ramadhani, Solo
- [3]. Antariksa, A Yani, 2016, *Nilai Keindonesiaan Tiada Bangsa Besar Tanpa Budaya Kokoh*, PT. Kompas Media Nusantara, Jakarta
- [4]. Basri, Faisal, 2015, *Nilai Keindonesiaan, Tiada Bangsa Besar Tanpa Budaya Kokoh*, PT. Kompas Media Nusantara, Jakarta
- [5]. Firmanzah, 2016, *Nilai Keindonesiaan Tiada Bangsa Besar Tanpa Budaya Kokoh*, PT. Kompas Media Nusantara, Jakarta
- [6]. Global Entrepreneurship Monitor, 2009, Executive Report, Niels Bosma, Jonathan levie
- [7]. Habibie, Ilham, 2016, *Nilai Keindonesiaan Tiada Bangsa Besar Tanpa Budaya Kokoh*, PT. Kompas Media Nusantara, Jakarta
- [8]. Riadi, Bratakusumah, D.S, 2005, *Perencanaan Pembangunan Daerah : strategi Menggali Potensi Dalam Mewujudkan Otonomi Daerah*, Sun, Jakarta
- [9]. Denhardt, Janet V. dan Robert B. Denhardt. 2003. *The New Public Service: Serving, not Steering*. Armonk, New York: M.E Sharpe.
- [10]. "The New Public Service: An Approach to Reform". *International Review of Public Administration* 8 (1).
- [11]. 2000. "The New Public Service: Service Rather than Steering". *Public Administration Review* 60 (6).
- [12]. Lie, A, 2004. *Pendidikan dalam Dinamika Globalisasi*, dalam Widiastono, T. D. (ed) *Pendidikan Manusia Indonesia*, Penerbit Kompas Buku, Jakarta
- [13]. Miles, Matthew B.; dan A. Michael Huberman; dan Johnny Saldana; 2014. *Qualitative Data Analysis: A Methods of Sourcebook*. Singapore: Sage Publications Inc.
- [14]. Nugroho, Riant, 2015, *Membangun Entrepreneur Indonesia, Tantangan Manajemen Presiden*, Jokowi, PT. Elex Media Komputindo.
- [15]. Osborne, David dan Ted Gaebler. 2003. *Reinventing Government (Mewirauahakan Birokrasi): Sepuluh Prinsip untuk Mewujudkan Pemerintahan Wirausaha*. Jakarta: PPM.